State of California

M e m o r a n d u m

To:	Panel Members	Date:	July 28, 2006
From:	Dolores Kendrick, Manager	Analyst:	M. Reeves
Subject:	One-Step Agreement for **PACIFIC COAST CABLING, INC.**		

CONTRACTOR:

- Training Project Profile: Retraining: Companies W/Out-Of-State Competition

- Legislative Priorities: Locating Into Or Expansion Within California

- Type of Industry: Communication Services

- Repeat Contractor: No

- Contractor's Full-Time Employees
    - *Worldwide:* 187
    - *In California*: 135

- ETP Trainees Represented by Union: No

- Name and Local Number of Union Representing ETP Trainees: N/A

CONTRACT:

- Program Costs: $244,728

- Substantial Contribution: $0

- Total ETP Funding: $244,728

- Total In-kind Contribution: $389,832
    - *Trainee Wages Paid During Training:* $389,832
    - *Other Contributions:* $0

- Reimbursement Method: Fixed-Fee

- County(ies) Served: Los Angeles and Orange

INTRODUCTION:

Pacific Coast Cabling, Inc. (PCC), is an integrator of structured cabling systems, data, voice, and wireless networks, as well as low voltage systems for security, surveillance, access control, biometrics, and sophisticated audio-visual applications. The company provides services to customers from a broad range of industries including media and entertainment, academia, technology, finance, telecommunications, healthcare, utilities, and local government.

The company is eligible for standard ETP funding as a company facing out-of-state competition under Title 22 California Code of Regulations, Section 4416(a)(3,4) for its integrated consulting services in all aspects of installation and hardware engineering.

MEETING ETP GOALS AND OBJECTIVES:

PCC proposes training that will further the following ETP goals and objectives:

1) To foster job retention in industries threatened by out-of-state competition.

2) To promote the growth of companies seeking expansion within California.

3) To provide training funding to companies in industries identified as priority industries.

TRAINING PLAN TABLE:

Grp/Trainee Type	Types Of Training	No. Retain	No. Class/Lab Videocnf. Hrs.	No. CBT Hrs.	Cost Per Trainee	Hourly Wage After 90 Days
Job Number 1 Retrainee	MENU: Advanced Technology Business Skills Computer Skills Commercial Skills	103	40 - 140	0 - 40	$320 - $3,120	*$12.90 - $36.05
Wages After 90-Day Retention						
Occupation Technician Lead Technician Project Manager/Foreman Technical Trainer IT Administration Technician Account Manager Office Administrator						
Health Benefits Used To Meet ETP Minimum Wage: *Health Benefits of at least $1.94 per hour may be applied to the base wage in order to meet the ETP minimum hourly wage of $12.90 for Los Angeles and Orange Counties.					**Turnover Rate** 17.5%	**% Of Mgrs & Supervisors To Be Trained:** 20%
Other Employee Benefits: 401(k) Savings Plan, Holidays, Personal Time Off, Education Reimbursement.						

COMMENTS / ISSUES:

> ### *Frontline Workers*

All participants in this project meet the Panel definition of frontline workers under Title 22 California Code of Regulations, Section 4400(ee), except for 21 managers.

> ### *Production During Training*

The proposed Contractor agrees that during ETP-funded training hours, trainees will not produce products or provide services which will ultimately be sold.

> ### *Advanced Technology*

Advanced Technology training in highly technical telecommunications hardware and software will be provided to the company's technical staff, project and account managers, and information technology administrators who provide highly technical services in the areas of structured cabling systems, data networks, and Voice over Internet Protocol (VoIP) and wireless networks. PCC has invested more than $100,000 in structured cabling systems and state-of-the-art network training hardware. Training topics will include Cisco Networking platforms, Building Industry Consulting Service International (BICSI) Information Transport System, Fiber Optics Training, Wired Networking, and Internet Protocol Office systems.

PCC's representative states that the company's expense to provide these highly technical training modules is approximately $55/hour per trainee, excluding hardware, software, and third party licenses. PCC is requesting the $26 per hour reimbursement (Priority Industry - Specialty Trade Contractors) to offset the high cost of this training which will be delivered by in-house, certified professionals. PCC anticipates a trainer to trainee ratio of 1:8 for all advanced technology courses in this proposal.

> ### *High Training Costs*

In accordance with ETP's Strategic Plan, PCC qualifies for priority industry fixed-fee reimbursement as a specialty trade contractor in the high technology telecommunications industry. Approximately 30 trainees are scheduled to receive 120 hours of Advanced Technology (AT) training, with a potential reimbursement of $3,120 per trainee (120 hours AT x $26). The Contractor reports that recent changes in networking technology and bandwidth capacities necessitate lengthier training programs in telecommunication applications and networking standards for the company's technical staff, project managers, and IT administration technicians. PCC is working towards expansion and must upgrade the skills of its workers in networking competencies that foster sustained growth. According to the Contractor, the extensive training hours in this proposal will ensure that PCC's California workforce remains current on the latest technological advancements in the telecommunications industry and will enhance the company's ability to contend with its global, high-tech competitors.

RECOMMENDATION:

Staff recommends that the Panel approve this Agreement based on the company's demonstrated need to upgrade the technical expertise of its workforce in order to improve its competitive position and continue to stimulate local economic growth.   Further, staff recommends that the Panel approve the high training costs associated with the Advanced Technology training to facilitate PCC's stated objective to open new facilities in California within the next two years.

NARRATIVE:

PCC began installing and servicing copper and fiber cabling systems in 1985. Over the past 20 years, PCC has expanded its operations to include consulting, design, installation, maintenance, and support for everything from cabling infrastructure to complete networks for voice, data, and wireless communications. PCC has the ability to design, build, and deliver network solutions involving structured cabling, wireless technology, Internet Protocol telephony, data networking, access control, and video surveillance. PCC's professional and technology management services include project consultation, network design, project/site management, Moves, Adds, and Changes support, and Site Survey/Audit analysis. Some of PCC's noted customers are: 20th Century Fox, AMGEN, Baxter, Caltrans, Disney, Dreamworks, Warner Brothers, and Lockheed Martin. In 2005, the company changed its corporate brand name to PCC Network Solutions to more accurately reflect the company's broader services and competencies. The company's legal name, Pacific Coast Cabling, Inc., remains unchanged.

Headquartered in Chatsworth, California, PCC has additional facilities in Anaheim, California; Tampa, Florida; Tempe, Arizona; and Carrollton, Texas.   Training in this proposal will be provided to PCC's workers employed at its two California facilities.

PCC representatives state that recent advancements in technology and information bandwidth capacities have allowed several its competitors to offer similar services remotely from other states. The outsourcing of high-tech telecommunications projects has become a major threat to PCC's California workforce.   To combat this threat, PCC has changed over to converged technologies (combining voice, data, and video networks) designed to stimulate business opportunities, while producing significant cost savings for customers.

According to PCC representatives, the company is ramping up for major expansion in California. Specifically, PCC plans to open two offices per year over the next eight years. The company intends to open its next office by the end of November 2006 in the Sacramento area. PCC also plans to open offices in the San Francisco and San Diego areas in the next two years. As a result, the company anticipates hiring an additional 80 to 100 full-time employees over the next two years. To facilitate this expected growth in business, PCC must take steps to enhance its training initiatives.   In particular, workers require significant training in the areas of wireless networking and VoIP technology.

NARRATIVE: (continued)

PCC proposes to retrain its workers in the following skills to support the company's plans for expansion:

Advanced Technology training will be provided to field technicians, project and account managers, IT administration technicians, and the technical trainer. These trainees will receive extensive training in Cisco wireless solutions, network installation and configuration, VoIP networks, BICSI Information Transport System, and Omni Fiber setup. This training is designed to equip workers with advanced skills to design, build, deliver, and maintain the industry's most sophisticated structured cabling systems, VoIP and wireless networks, and data networks.

Business Skills training will be provided to project managers and account managers. These modules will focus on project leadership, scheduling, quality concepts, project management, and cost management. Trainees will develop their project administration skills and learn the benefits of teamwork and effective communication.

Computer Skills training will be provided to office administrators, account managers, and the technical trainer. Instruction will be delivered using self-paced computer-based training courses. Trainees will become more proficient at utilizing multiple software applications to perform tasks in various computer-automated environments.

Commercial Skills training will be delivered to technical staff and project managers. This training will cover topics related to telecommunication distribution systems including principles of transmission, firestopping, power distribution, field testing, and residential cabling.

Commitment to Training

PCC representatives state that ETP funding under this Agreement will not displace the company's own training resources. The company founded PCC Network Solutions Education Center in 1999 to provide classroom instruction to all of its frontline workers on various aspects of design, installation, and maintenance of communication systems. According to PCC's representatives, the proposed training will provide frontline staff with the latest BICSI (Voice, Data, and Video) technology training available in the industry. PCC representatives state that this level of training in wireless and VoIP – wireless local area networks would not be possible without ETP funding. With ETP's assistance, PCC will be able to expand its existing training program to further the company's expansion goals.

Once the ETP-funded training has concluded, PCC intends to institutionalize the proposed training plan into its ongoing training efforts.

SUBCONTRACTORS:

CrossBow Communications, San Jose, California, will provide administrative services for an amount not to exceed 13 percent of the payment earned for project administration. CrossBow Communications may also provide training services in an amount to be determined.

THIRD PARTY SERVICES:

CrossBow Communications, San Jose, California, assisted PCC in developing this proposal at no additional fee.

PACIFIC COAST CABLING, INC.
Menu Curriculum

Class/Lab Hours
40 – 140

Trainees will be provided any of the following:

BUSINESS SKILLS

Project Leadership

- Building a Project Plan – Scope of Work (SOW), developing compliance and testing plan, PERT/GANTT Charts and project risks

- Managing the plan – Tracking and control, project administration, inspection, tests and verification

Telecommunications Information Transport System (ITS) Project Management

- Technical Process
- Project HR Management
- Project Integration Management
- Time Management
- Cost Management
- Quality Management
- Procurement Management

Building Industry Consulting Service International (BICSI) ITS Project Management Program

- Project Management and Teamwork
    - Scope
    - Risk
    - Schedule and integration management
    - Communications management

- Project Management Templates and Tools

PACIFIC COAST CABLING, INC.
Menu Curriculum (continued)

COMMERCIAL SKILLS

Telecommunications Distribution Systems

- Principles of Transmission
- Electromagnetic Compatibility
- Work Areas
- Horizontal Distribution Systems
- Backbone Distribution Systems
- Telecommunications Spaces
- Firestopping
- Grounding, Bonding, and Protection
- Power Distribution
- Telecommunications Administration
- Field Testing
- Design, Construction, and Project Management
- Private Community Antenna Television and Radio (CATV) Distribution Systems
- Overhead Paging Systems
- Building Automation Systems
- Data Network Design
- Wireless
- Electronic Safety and Security
- Customer-Owned Outside Plant
- Data Centers
- Special Design Considerations
- Residential Cabling

PACIFIC COAST CABLING, INC.
Menu Curriculum (continued)

AT Hours　　　　　　　　　　　**ADVANCED TECHNOLOGY**
0 – 120　　　　　　　(Limited to field technicians, project and account managers,
　　　　　　　　　　　IT administration technicians, and technical trainer)

- Cabling Test Technician Data Center/Data Transfer (DTX) Cable Analyzer

  - Copper Testing and Certification
  - Fiber Testing and Certification

- Integrated Building Design Network (IBDN) Installation Training

  - Standards
  - IBDN Structured Cabling Systems
  - BIX Cross-Connect System Installation
  - BIX Wall-Mount Patch Panel Installation

- Omni Scanner 2 Level III and Omni Fiber

  - Custom Cable Setup
  - Auto test Selection
  - Productivity Test
  - Troubleshooting S-Bands
  - Omni Fiber Setup
  - Creating Custom Fibers
  - Testing and Saving Fiber Results

- ADC TrueNet Installation Training

  - Channel Link Performance
  - TrueNet Technology
  - Krone Terminating Products – High-Band Block
  - TrueNet Requirements for Installation and Testing

- Panduit Pan-Net Network SCS Certification Program

  - TIA-569 Commercial Building Pathways and Spaces
  - Panduit Structured Cabling Systems (SCS) Design and Engineering Pathways Solutions

- Network+ Course

  - Media and Topologies
  - Open Systems Interconnection (OSI) model and it's layers
  - Protocols and Standards
  - Network Implementation
  - Network Support and Troubleshooting

PACIFIC COAST CABLING, INC.
Menu Curriculum (continued)

ADVANCED TECHNOLOGY (continued)

- Cisco Certified Network Associate (CCNA) Academy

  - Cisco Internetwork Operating System (IOS).
  - Installing, configuring, and operating routed LAN, routed WAN, and switched Virtual LAN (VLAN) networks.

  - Configuring Internet Protocol (IP), Interior Gateway Routing Protocol (IGRP), Enhanced Interior Gateway Routing Protocol (EIGRP), Open Shortest Path First (OSPF), serial interfaces, Frame Relay, Internet Protocol – Routing Information Protocol (IP RIP), VLANs, Ethernet, and access lists.

  - Installing and/or configuring a network.
  - Optimize WAN through Internet-access solutions that reduce bandwidth and WAN costs, using features such as filtering with access lists, bandwidth on demand (BOD), and dial-on-demand routing (DDR).

- Cisco Certified Design Associate (CCDA) Academy

  - Design Cisco's routed LAN and routed WAN.
  - Switched LANs
  - VoIP Networks (Analysis, Modeling, and Planning)

- Cisco Wireless Academy

  - Configuring and implementing the advanced capabilities of Cisco wireless solutions

  - Verifying and troubleshooting the advanced capabilities of Cisco wireless solutions

  - Technical functionality of Cisco wireless solutions
  - Technical benefits of Cisco wireless products to meet business requirements
  - Security features of System Wide Automated Network (SWAN)
  - Security features of Cisco Airspace

- Internet Protocol Office Academy

  - Set up the IP Office system and software
  - Configure IP Office using the Manager application and the Installation
  - Set up dial-up networking and WAN/LAN connections

PACIFIC COAST CABLING, INC.
Menu Curriculum (continued)

ADVANCED TECHNOLOGY (continued)

- BICSI Information Transport System (ITS) IN100

    o Structured Premises Cabling Systems
    o Standards
    o Plans and Specifications
    o Media Characteristics (Unshielded Twisted Pair (UTP), Screen Twisted Pair (ScTP), Coax, and Optical Fiber)
    o Connectors
    o Transmission Characteristics
    o Grounding and Bonding
    o Splicing and Cable Testing
    o Testing and Troubleshooting

- BICSI Information Transport System (ITS) IN200

    o Structured Premises Cabling Systems
    o Standards, Codes, and Methodologies
    o Plans and Specifications
    o Media Characteristics (UTP, ScTP, Coax, and Optical Fiber)
    o Connectors
    o Transmission Characteristics
    o Grounding and Bonding
    o Terminations
    o Splicing and Cable Testing
    o Retrofits and System Upgrades

- BICSI Information Transport System (ITS) TE300

    o Structured Premises Cabling Systems
    o Standards, Codes, and Methodologies
    o Plans and Specifications
    o Media Characteristics
    o Connectors
    o Transmission Characteristics
    o Grounding and Bonding
    o Defining LANs
    o Components of a LAN
    o Firestopping
    o Splicing Cable (Copper and Fiber)
    o Testing and Troubleshooting

PACIFIC COAST CABLING, INC.
Menu Curriculum (continued)

ADVANCED TECHNOLOGY (continued)

- CCNA Renewal

    o New Technology and Advanced Networking Standards
    o Planning and Design
    o Implementation and Operation
    o Troubleshooting

- CCDA Renewal

    o Cisco's routed LAN and routed WAN – Latest Techniques and Upgrades (Hardware and Software)
    o Switched LANs – New Technology Standards
    o VoIP Networks (Analysis, Modeling, and Planning) – New Releases

PACIFIC COAST CABLING, INC.
Menu Curriculum (continued)

CBT Hours
0 - 40

COMPUTER SKILLS (CBT Training)

- Microsoft ® Office Word

  - Level 1   (2 Hours)
  - Level 2   (2 Hours)
  - Level 3   (2 Hours)

- Microsoft® Office Excel

  - Level 1   (3 Hours)
  - Level 2   (3 Hours)
  - Level 3   (3 Hours)

- Microsoft® Office PowerPoint

  - Level 1   (3 Hours)
  - Level 2   (3 Hours)

- Microsoft® Office Outlook

  - Level 1   (3 Hours)
  - Level 2   (3 Hours)
  - Level 3   (3 Hours)

- Microsoft® Office Access

  - Level 1   (4 Hours)
  - Level 2   (4 Hours)
  - Level 3   (4 Hours)

- Microsoft® Project

  - Level 1   (4 Hours)
  - Level 2   (4 Hours)
  - Level 3   (4 Hours)

Comment: The parties agree that the training identified in this Curriculum may be revised from time-to-time during the term of this Agreement at the request of Contractor and with the prior written approval of ETP. (See also Section 12 in this Agreement.)